

**Formatted Questions
Underwriting Panel Satellite Broadcast
June 22, 2005**

FQ 1

What factors would NOT be considered a basis to underwrite a temporary buydown loan with the first year's payment?

- A. Confirmed future promotions
- B. Wage percentage increases covered by labor contracts
- C. Cost of living allowances
- D. None of the above

FQ 2

If a borrower has several pages full of outstanding collection accounts, but they are all over a year old, or medically related, the underwriter should just write the words "OLD" or "MED" next to each account and disregard them.

- A. TRUE
- B. FALSE

FQ 3

Which of the following circumstances would NOT usually be considered "beyond the borrower's control" in a bankruptcy situation?

- A. Unemployment
- B. Prolonged strike
- C. Uninsured medical bills
- D. Divorce

FQ 4

If a veteran had a VA loan foreclosed but the government did not establish a debt, the veteran's remaining entitlement is available for use.

- A. TRUE
- B. FALSE

FQ 5

In Chapter 4 of the Lenders Handbook, there are very specific instructions on how to determine income and underwrite a VA guaranteed loan?

- A. TRUE
- B. FALSE

FQ 6

The “Verbal” or phone verification of employment must contain the following information _____.

- A. Date of Verification
- B. Name, Title, and telephone number – verification contact
- C. Annual amount of Income for the employee
- D. A and B only

FQ 7

If the borrower’s verification of employment states that the borrower works 40 hours a week but two pay stubs show only 35 hours a week, the underwriter should base the borrower’s effective income on ____.

- A. 40 hours a week
- B. 35 hours a week
- C. the math average = 37.5
- D. None of the above

FQ 8

When can short-term debts with a remaining term of less than 10 months be ignored?

- A. Always
- B. Never
- C. Small monthly debt amount won’t impact loan repayment
- D. None of the above

FQ 9

To qualify as “existing construction” the property must be at least one year old.

- A. TRUE
- B. FALSE

FQ 10

If the sales price exceeds the value, which of the following options is NOT available to the veteran:

- A. Withdraw from the transaction
- B. Pay the difference in cash from savings
- C. Offer the seller a second lien for the difference
- D. Renegotiate the sales price